

## Assembly Hearing Slip

(please print plainly)

Date: Nov 14, 2001

Bill No. AB 577

Or

Subject

PROPERTY TAX  
RENT CREDIT

Name

Bob DENNIK

Street Address or Route Number

700 P. RUCKNEY ST

City, State, ZIP Code

MADISON, WI

E-Mail Address

WRALC@aol.com

Organization You Represent

WI RENTAL HOUSING  
LEGISLATIVE COUNCIL

Speaking in Favor: ☐

Speaking Against: ☐

Registering in Favor: ☒

Registering Against: ☐

Speaking for Information Only,  
neither for nor against: ☐

Please promptly return this slip to the  
messenger at the hearing.

Provided by:  
Assembly Sergeant at Arms  
<http://www.assemblysergeant.com>

## Assembly Hearing Slip

(please print plainly)

Date:

11/14

Bill No.

AB 577

Or

Subject

Tom Durkin - DOR

Name

Street Address or Route Number

City, State, ZIP Code

E-Mail Address

Organization You Represent

Speaking in Favor: ☐

Speaking Against: ☐

Registering in Favor: ☐

Registering Against: ☐

Speaking for Information Only,  
neither for nor against: ☒

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## Assembly Hearing Slip

(please print plainly)

Date:

11-14-01

Bill No.

577

Or

Subject

Rep. Jeff Stone

Name

Street Address or Route Number

City, State, ZIP Code

E-Mail Address

Organization You Represent

Speaking in Favor: ☒

Speaking Against: ☐

Registering in Favor: ☐

Registering Against: ☐

Speaking for Information Only,  
neither for nor against: ☐

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## Assembly Hearing Slip

(please print plainly)

Date: 11/14/01

Bill No. AB 577

Or

Subject

Name

Rep Devin Cucca

Street Address or Route Number

City, State, ZIP Code

E-Mail Address

Organization You Represent

Speaking in Favor: ☐

Speaking Against: ☐

Registering in Favor: ☒

Registering Against: ☐

Speaking for Information Only,  
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## Assembly Hearing Slip

(please print plainly)

Date: 11/14/01

Bill No. AB 577

Or

Subject

Name

Bob George Brown

Street Address or Route Number

City, State, ZIP Code

E-Mail Address

Organization You Represent

Speaking in Favor: ☐

Speaking Against: ☐

Registering in Favor: ☒

Registering Against: ☐

Speaking for Information Only,  
neither for nor against: ☐

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Assembly Sergeant at Arms  
<http://www.assemblysergeant.com>

Allows for doubling  
up & still claim  
the prop-tax credit in  
the off year.

Sub → Prevents amending  
previous years

AB 370 - Amend

'03  
indexing

AB 577 - Amend

↳ Zieg bill from '99-00

***Assembly Committee on Ways and Means***

DATE \_\_\_\_\_

Moved by Zieg Seconded by Owens  
 AB 577 SB \_\_\_\_\_  
 AJR \_\_\_\_\_ SJR \_\_\_\_\_  
 A \_\_\_\_\_ SR \_\_\_\_\_  
 Other \_\_\_\_\_

A/S Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_  
 A/S Sub Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_  
 A/S Amdt \_\_\_\_\_ to A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_

Be recommended for:

- ☒ Passage
  - ☐ Introduction
  - ☐ Adoption
  - ☐ Rejection
  - ☐ Indefinite Postponement
  - ☐ Tabling
  - ☐ Concurrence
  - ☐ Nonconcurrency

	Committee Member	Aye	No	Absent	Not voting
1.	Rep. Mickey Lehman, chair	1			
2.	Rep. John Ainsworth, vice-chair				
3.	Rep. Suzanne Jeskewitz				
4.	Rep. Frank Lasee	2			
5.	Rep. Samantha Starzyk	3			
6.	Rep. Tom Sykora	4			
7.	Rep. Carol Owens	5			
8.	Rep. Luther Olsen	6			
9.	Rep. Wayne Wood	7			
10.	Rep. Bob Ziegelbauer	8			
11.	Rep. Johnnie Morris-Tatum	9			
12.	Rep. Mark Pocan	10			
13.	Rep. Bob Turner	11			
	Totals	11	0		

MOTION CARRIED ☒

MOTION FAILED ☐

***Assembly Committee on Ways and Means***

DATE \_\_\_\_\_

Moved by\_

AB 577

AJR\_\_\_\_\_

A\_\_\_\_\_

A/S Amdt\_\_\_\_\_

A/S Amdt

A/S Sub Amdt

A/S Amdt

A/S Amdt

Zieg

SB

SJR

SR

Seconded by

## Clearinghouse Rule

Other

to A/S Amdt

to A/S Sub Amdt

to A/S Amdt \_\_\_\_\_ to A/S Sub Amdt \_\_\_\_\_

Be recommended for:

## □ Passage

## □ Introduction

☒ Adoption

☐ Rejection

☐ Indefinite Postponement

## □ Tabling

☐ Concurrency

☐ Nonconcurrency

	Committee Member	Aye	No	Absent	Not voting
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6.	Rep. Tom Sykora	4			
7.	Rep. Carol Owens	5			
8.	Rep. Luther Olsen	6			
9.	Rep. Wayne Wood	7			
10.	Rep. Bob Ziegelbauer	8			
11.	Rep. Johnie Morris-Tatum	9			
12.	Rep. Mark Pocan	10			
13.	Rep. Bob Turner	11			
	Totals	11	0		

MOTION CARRIED ☒

MOTION FAILED ☐

# Proposal Issue Page

For use at public hearings and any other forum of debate

Date 11-14-01

Proposal AB 577

Lead Author(s) Stone

## Pros:

Allows claiming of the PTRC for a tax year even if property tax for that year was paid in the previous year.

## Cons:

Costs the state money. ~\$3 million



BOB ZIEGELBAUER

STATE REPRESENTATIVE • TWENTY FIFTH ASSEMBLY DISTRICT

DATE: November 14, 2001  
TO: Members, Assembly Committee on Ways and Means  
FROM: Bob Ziegelbauer  
RE: **Support for 2001 AB 577**; relating to authorizing claims under the school property tax rent credit

I hope that you will consider supporting AB 577.

Currently, the IRS allows federal taxpayers who pay two years worth of property taxes within one calendar year to claim the total amount paid that year as an itemized deduction. This is commonly referred to as "doubling up" on property taxes and in some cases, nets the taxpayer a slight reduction in his or her federal taxes.

Unfortunately, under current Wisconsin law, only the real estate taxes **actually paid during the year** can be claimed toward that year's *Wisconsin* school property tax credit (PTRC), thereby forcing the taxpayer to give up one year's worth of *Wisconsin* credit in order to double up their *federal* itemized deduction.

AB 577 simply allows taxpayers to continue using the option of "doubling up" up on property taxes for the purpose of itemizing *Federal* deductions without losing the value of the school property tax credit on their annual *Wisconsin* Income Tax return by allowing the credit for payment of real estate taxes paid for that particular tax year when figuring the *Wisconsin* credit amount.

As a result of AB 577, Wisconsin would no longer discourage taxpayers from doubling up on their property tax payments. I would urge you to support it.

Thank you for your consideration.

###

STATE CAPITOL: P.O. BOX 8953, MADISON, WI 53708-8953 • (608) 266-0315  
TOLL FREE: 1-888-529-0025 • FAX (608) 266-0316 • E-MAIL: bob.ziegelbauer@legis.state.wi.us

DISTRICT: 1213 S. 8TH STREET, P.O. BOX 325, MANITOWOC, WI 54221-0325  
MANITOWOC OFFICE: (920) 684-6783 • HOME: (920) 684-4362

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Printed in  
Manitowoc Co.



## **Nowlan, Andrew**

---

**From:** Rongstad, Tami  
**Sent:** Monday, January 07, 2002 3:10 PM  
**To:** Nowlan, Andrew  
**Subject:** RE: AB 577

**Thank you :) The 16th is great for both bills.**

**Email me a copy of the sub when it comes in.**

**Thanks,**

**Tami**

-----Original Message-----

**From:** Nowlan, Andrew  
**Sent:** Monday, January 07, 2002 3:02 PM  
**To:** Rongstad, Tami  
**Subject:** AB 577

Hi Tami,

I know we talkeda bout ab491 being scheduled for an exec on Jan 16th, but I am not sure we talked about doing the same for ab577. An amendment was needed for the bill and I have already requested the drafting of that amendment (it will be a sub), but I just wanted to check with you to make sure the 16th was okay for an exec on that bill as well.

Thanks,

Andrew Nowlan  
Rep. Michael Lehman's Office  
Andrew.Nowlan@Legis.State.WI.US



### EXAMPLE

The bill becomes law in April 2002. Taxpayer X pays his 2002 property taxes in January and July, 2003, and his 2003 property taxes in December, 2003. Taxpayer X files his 2002 Wisconsin income tax return in February, 2003 and his 2003 Wisconsin income tax return in February, 2004.

Taxpayer will have the following options in claiming school property tax credits based on the 2002 and 2003 property taxes he has paid:

#### Option 1

Taxpayer X may claim two credits on his 2003 Wisconsin income tax return (one credit based on the 2002 taxes paid during 2003, and a second credit based on the 2003 taxes also paid during 2003).

#### Option 2

Taxpayer X may claim a credit based on the 2002 taxes on his 2002 Wisconsin income tax return, and a credit based on the 2003 taxes on his 2003 Wisconsin income tax return. (Note: This option does not arise until Taxpayer X pays the second year's property taxes in December, 2003. Since the option arises after Taxpayer X is required to file his 2002 Wisconsin income tax return, in order to claim the credit on his 2002 return under this option, it will be necessary for Taxpayer X to file an amended return for the tax year 2002.)

## Fiscal Estimate - 2001 Session

☒ Original      ☐ Updated      ☐ Corrected      ☐ Supplemental

LRB Number **01-2877/1**

Introduction Number **AB-577**

**Subject**

Change eligibility to claim the school property tax rent credit

**Fiscal Effect**

**State:**

☐ No State Fiscal Effect

☐ Indeterminate

☐ Increase Existing  
Appropriations

☐ Decrease Existing  
Appropriations

☐ Create New Appropriations

☐ Increase Existing  
Revenues

☒ Decrease Existing  
Revenues

☒ Increase Costs - May be possible to  
absorb within agency's budget

☒ Yes

☐ No

☐ Decrease Costs

**Local:**

☒ No Local Government Costs

☐ Indeterminate

1. ☐ Increase Costs

☐ Permissive ☐ Mandatory

2. ☐ Decrease Costs

☐ Permissive ☐ Mandatory

3. ☐ Increase Revenue

☐ Permissive ☐ Mandatory

4. ☐ Decrease Revenue

☐ Permissive ☐ Mandatory

**5. Types of Local Government  
Units Affected**

☐ Towns

☐ Village

☐ Cities

☐ Counties

☐ Others

☐ School  
Districts

☐ WTCS  
Districts

**Fund Sources Affected**

☒ GPR    ☐ FED    ☐ PRO    ☐ PRS    ☐ SEG    ☐ SEGS

**Affected Ch. 20 Appropriations**

**Agency/Prepared By**

DOR/ Meredith Krejny (608) 261-8984

**Authorized Signature**

Dennis Collier (608) 266-5773

**Date**

6/13/01

**Fiscal Estimate Narratives**  
**DOR 10/17/01**

LRB Number	01-2877/1	Introduction Number	AB-577	Estimate Type	Original
<b>Subject</b>					
Change eligibility to claim the school property tax rent credit					

**Assumptions Used in Arriving at Fiscal Estimate**

Under current law, a filer may claim a school property tax/rent credit for property taxes (or rent constituting property taxes) paid during the taxable year for which the return relates. The credit currently is equal to 12% of the first \$2,500 of property taxes paid (\$1,250 for married separate filers). No credit was available in tax year 1999; in tax year 1998, the credit was equal to 14% of the first \$2,500 of property taxes; and in tax years beginning before January 1, 1998, the credit was equal to 10% of the first \$2,000 of property taxes paid (\$1,000 for married separate filers).

This bill allows filers to claim the school property tax credit either in one year for property taxes paid in two taxable years (if the claimant does not claim in one year the credit for that year), or for the year to which the property taxes relate if the claimant pays property taxes for two taxable years in one year.

A comparison of school property tax/rent credit claims for tax years 1997 and 1998 indicates that approximately 70,000 filers claim the credit in only one of those two years. Thus, it is assumed that, on average, 35,000 filers claim the credit in every other year. Allowing these filers to claim the credit for taxes paid in two years would allow these filers to claim an additional \$2.8 million in credits annually. After adjusting for the change in the calculation of the credit that took effect for tax years 2000 and thereafter as a result of 1999 Wisconsin Act 198, the revenue loss is estimated to be \$3.0 million.

**Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

☒ Original

☐ Updated

☐ Corrected

☐ Supplemental

<b>LRB Number</b> 01-2877/1		<b>Introduction Number</b> AB-577	
<b>Subject</b>			
Change eligibility to claim the school property tax rent credit			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes.		\$	
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		\$	\$
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>			
	Increased Rev	Decreased Rev	
GPR Taxes			
GPR Earned	\$	\$-3,000,000	
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>	\$	\$-3,000,000	
<b>NET ANNUALIZED FISCAL IMPACT</b>			
	State	Local	
NET CHANGE IN COSTS	\$	\$	
NET CHANGE IN REVENUE	\$-3,000,000	\$	
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	
DOR/ Meredith Krejny (608) 261-8984		Dennis Collier (608) 266-5773	
		<b>Date</b>	
		6/13/01	